LAW OFFICES
GOLDBERG, GODLES, WIENER & WRIGHT
1229 NINETEENTH STREET, N.W.
WASHINGTON, D.C. 20036

HENRY GOLDBERG
JOSEPH A. GODLES
JONATHAN L. WIENER
MICHAEL A. MCCOIN
BRITA D. STRANDBERG

HENRIETTA WRIGHT
THOMAS G. GHERARDI, P.C.
COUNSEL

(202) 429-4900
TELECOPIER:
(202) 429-4912
general@g2w2.com

June 4, 2003

John Muleta, Chief
Wireless Telecommunications Bureau
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Re: Progeny LMS, LCC Petition for Rulemaking to Amend Part 90 of the Commission's Rules Governing the Location and Monitoring Service (RM-10403).

Dear Mr. Muleta:

Russell Fairbanks, Itron's Vice President and General Counsel, and I recently met with you and your staff to discuss the potential effect on Itron and its utility customers of changes to LMS operations proposed by Progeny LMS, LLC. During our meeting, you asked us to consider a number of questions. While I may not have gotten the questions precisely as you asked them, I believe they were as follows:

- Are there technical changes that Itron or LMS operators can make that would reduce the likelihood of LMS operations causing harmful interference to Itron's transmissions?
- Have there been any changes to Itron's system design since the LMS rules were adopted in 1997?
- How many of Itron's meter modules were installed prior to the adoption of the LMS rules?

Taking them in order, although there could be some technical changes to LMS operations that would reduce the potential for harmful interference to Itron's operations, there presently are no technically feasible means that Itron can use to improve its receivers' ability to tolerate interference from LMS operations.

In general, Itron's ability to filter harmful out-of-band interference is limited. There are filters available for its more complex meter readers that, while expensive, would offer a small reduction in susceptibility to out-of-band interference. These filters, however, are simply too large and too expensive for inclusion in Itron's hand-held devices. Available smaller filters offer even less attenuation and do not provide effective filtering at the frequency separations in the 902-928 MHz band.

On the LMS side, licensees could reduce the risk of harmful interference to Itron's operations by reducing the duty cycle of their transmissions and reducing output power, but Progeny would have the Commission head in the opposite direction. Itron also could benefit if there were greater frequency separation between its operations and those of potential interferers, which does not seem feasible in the limited 902-928 MHz band that is available to both unlicensed users and LMS licensees.

As to changes to Itron's system design since the LMS rules were adopted, Itron has strived continually to reduce its susceptibility to interference. As the number of interferers in the 902-928 MHz band, including LMS operators, has increased, Itron has, among other things, incorporated different types of filters, new filter techniques, and narrow receiver filters whenever feasible. These efforts constitute just one part of Itron's broader effort to incorporate all available technological improvements in order to increase the efficiency and effectiveness of its products. The evolution of Itron's technology, however, have brought only limited improvements in interference immunity.

Finally, nine million of Itron's automatic meter reading ("AMR") modules were sold in or before 1997, and 14 million have been sold since. Itron's year-by-year cumulative and annual sales of its AMR modules are detailed in the attached charts.

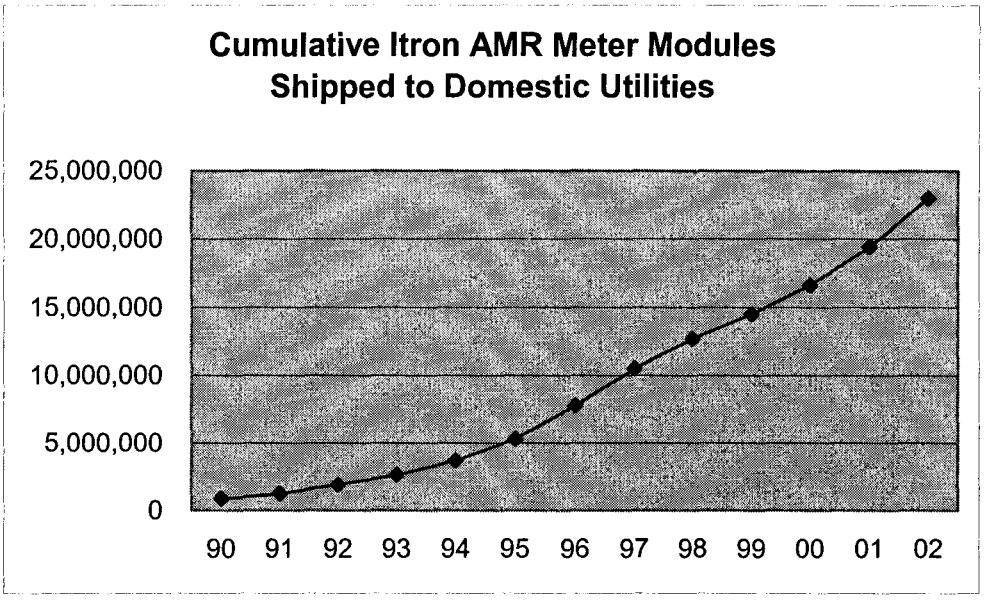
If there is any other information that would be helpful to you or your staff, please do not hesitate to contact me.

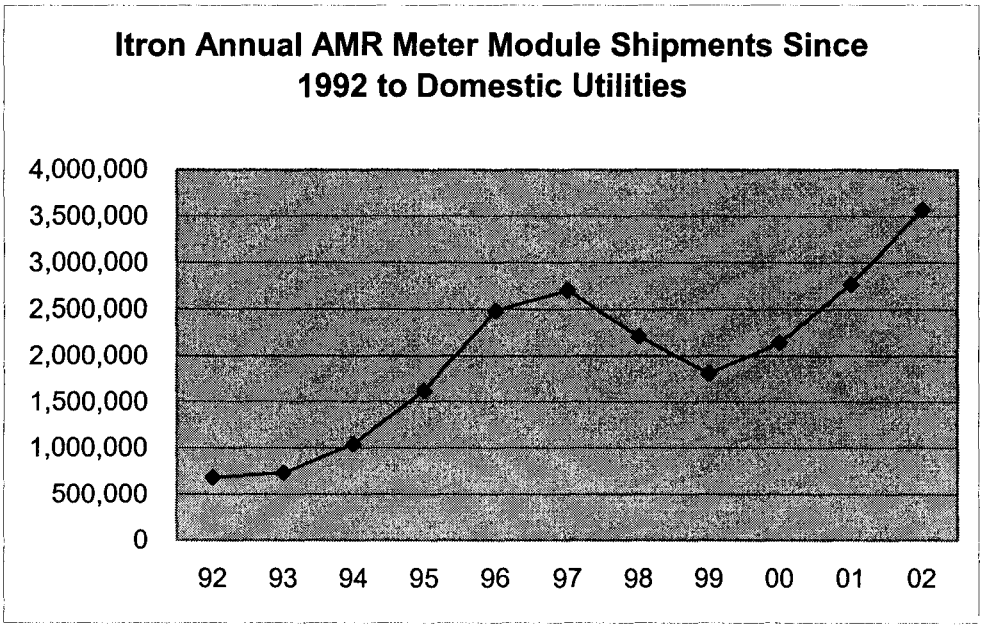
Sincerely,

Henry Goldberg

Henry Goldberg
Attorney for Itron, Inc

cc: Peter Tenhula
Paul d'Ari
Tom Stanley


Cumulative Itron AMR Meter Modules Shipped to Domestic Utilities
25,000,000
20,000,000
15,000,000
10,000,000
5,000,000
0
90 91 92 93 94 95 96 97 98 99 00 01 02


Itron Annual AMR Meter Module Shipments Since 1992 to Domestic Utilities
4,000,000
3,500,000
3,000,000
2,500,000
2,000,000
1,500,000
1,000,000
500,000
0
92 93 94 95 96 97 98 99 00 01 02